



Corporate Clients

Web Trade Services

Quick Guide: Import letters of credit



Quick Guide

Import letters of credit

Overview

The main steps required to successfully process an import letter of credit are explained in this document, along with some helpful tips.

The Import Letters of Credit module enables the efficient processing of transactions and ensures the quality of the entered data using comprehensive plausibility checks. The module will also provide you with a detailed and up-to-date overview of all transactions in this business division at any time.

The following functions are available:

- Applications for import letter of credit opening and amendment instructions
- Processes for take-up of documents
- Access to all transactions using the menu item “History”
- Production of reports
- Creation of free text messages relating to transactions
- Creation, amendment and display of templates

For the individual actions, the application interactively communicates with the processing system at your Commerzbank branch through various electronic messages. A detailed description is available in Quick Guide “First Steps and Basics” Annex I – Schedule of electronic messages”.

Entry for opening or amending instructions

An import letter of credit opening request requires the entry of complex data volumes. Web Trade Services provides a range of helpful tools for this purpose, such as template and copy functions, text components and comprehensive plausibility checks. Once the data has been entered, highly structured electronic messages are transferred to the processing branch of Commerzbank.

Web Trade Services Import Letters of Credit

Demokunde Mitte

Basic Data Payment C... Others Shipment Additional... Descriptio... Documents... Additional... Special Pay...

Reference: TM170401 Client: Demokunde Mitte

User: Issuing bank: Commerzbank Testfiliale

Entry Date: 17.04.2019 Contact person at issuing Bank: ELFRIEDE SCHMIDT

Form of doc. credit: IRREVOCABLE Beneficiary address: BENEFICIARY, P.O. BOX / STREET, ZIP CODE / CITY, AUSTRALIA

Confirmation Instruction: WITHOUT Beneficiary account No.

Amount: EUR 25.890,00 Transshipment: ALLOWED

Use tolerance: [] Tolerance (in %) +/-: 0 0 Partnership: CONDITIONAL

Latest date of shipment: 15.12.2020

Expiry Date: 30.12.2020

Place of expiry: FRANKFURT/ML

Applicable Rule: UCP LATEST VERSION

Addition to Applicable Rule:

Internal remarks:

template display save

Fig. 01, Opening an import letter of credit

Numerous fields can only be completed using pre-defined selection values. To do this, simply open the drop-down menu () for the respective field and select one of the values. The calendar is used in a similar way: Click on the arrow button next to the date field and select the required date. Alternatively, you can also enter “+180”, for example, in a data field. Web Trade Services will then automatically calculate the date 180 days from today.

Tip:

Use the “Internal remarks” field to enter information about the current transaction. This will then be displayed each time the transaction is viewed and can be used, for instance, to give colleagues helpful information about how to proceed.

The buttons “ ” symbolise access to the database. Clicking on this symbol will open an address database for each field or pre-entered text components.

Code	Text block	Text
<input type="checkbox"/>	CFR Standard-	CFR - Incoterms (2000) *
<input type="checkbox"/>	CF Standard-	CF - Incoterms (2000) *
<input type="checkbox"/>	CP Standard-	CP - Incoterms (2000) *
<input type="checkbox"/>	CPT Standard-	CPT - Incoterms (2000) *
<input type="checkbox"/>	DAF Standard-	DAF - Incoterms (2000) *
<input type="checkbox"/>	DDP Standard-	DDP - Incoterms (2000) *
<input type="checkbox"/>	DDU Standard-	DDU - Incoterms (2000) *
<input type="checkbox"/>	DEQ Standard-	DEQ - Incoterms (2000) *
<input type="checkbox"/>	DES Standard-	DES - Incoterms (2000) *
<input type="checkbox"/>	EXW Standard-	EXW - Incoterms (2000) *
<input type="checkbox"/>	FAS Standard-	FAS - Incoterms (2000) *
<input type="checkbox"/>	FCA Standard-	FCA - Incoterms (2000) *
<input type="checkbox"/>	FOB Standard-	FOB - Incoterms (2000) *
<input type="checkbox"/>	Goods1 Goods general	Goods as per proforma invoice no. AB898123 dd. feb. 24
<input type="checkbox"/>	Goods2 Plexiglas	Phymethyl Methacrylate

Insert Display Language English Select code

Fig. 02, Text components

Use the function “Administration” to enter databases for various fields. Several standard texts are, however, already provided in Web Trade Services, such as the various Incoterms in the example above.

Tip:

If required, you can save your text component in different languages. Activate one or more text components as shown above and click on “language” to switch between the languages. “Insert” then includes only the content in the required language.


The most efficient way to enter the data is to use a template or a transaction which is already saved in the portfolio. Access the portfolio of historical data by clicking on “” next to the “Customer reference” field. Selection criteria can now be entered which will help you search for a particular transaction.

Fig. 03, Selection criteria

A list of matching transactions will then be displayed. When you select a transaction, the application will copy all of the fields of the old transaction into the entry mask (excluding reference, date and amount fields).


The same applies to the use of templates. Click on the “Template” button to load a list of all saved template transactions for the business division.

Tip:


Templates are either manually created with the menu item “Templates” or using an existing transaction. To do this, select a transaction from the history and click on the “Template” button on the right lower border of the screen. The application will now change to the template function, where information can be supplemented or amended. Click on “Save” to complete the entry of the template. The application will then shift back to the history of the previously accessed transaction.

Confirm your entry by clicking on the “Save” button. The application will now carry out a plausibility check and will report any possible errors in the entry:

Fig. 04, Error notification

The field which needs to be corrected will be highlighted in colour and an error message will be added. This can be closed by clicking on the red cross (). As soon as the error has been corrected, the transaction can be saved again. Once the transaction has been successfully saved, it can finally be released and sent to the bank using “Overview/Release”.

Tip:

Do you need to complete your entry but you urgently have to leave your desk? No problem! Click on the pause symbol in the application header (“”). The entry will be interrupted and saved without carrying out the plausibility check. The transaction can be accessed at any time for further processing via the menu item “Overview/pending transactions”.

Receiving and accepting messages

The conducting branch of Commerzbank will now receive the import letter of credit application and will issue the letter of credit. You will receive an electronic execution notification for this step and all further steps taken by your Commerzbank branch (also see First Steps & Basics at “Schedule of electronic messages” in Annex 1).

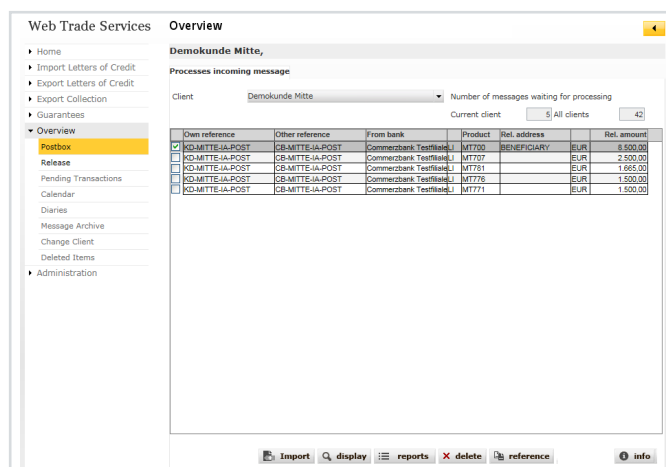


Fig. 05, Postbox

If required, add your own reference using the “Reference” button first, or supplement/correct the reference if it was not possible to allocate it to follow-up messages. Secondly, click on the “Import” button and the message will then be allocated to the transaction and any relevant amendments or new events will be noted in the history. The imported messages can - if required - be accessed in the application’s message archive (under the menu item “Overview”).

Transaction history

The history provides a current and comprehensive overview of existing transactions. In the import letters of credit area, the following actions can be carried out:

- Display a contract page which shows the current status of the transaction
- Close or delete a transaction (see also “Annex III - Explanation of the status features”)
- Display received messages by pressing “History” button
- Display notifications about discrepancies, due date messages and settlement information via the “doc-sets” function
- Creation of templates
- Display historical versions of the transaction

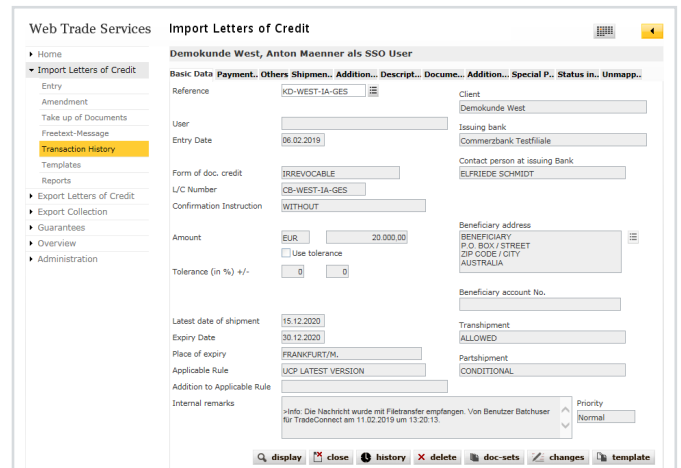


Fig. 06, History with transaction versions

Access the application’s version tracking using the “changes” button. The yellow arrow buttons can be used to page through the historical statuses of the letter of credit. Fields which have been changed at the respective time in comparison to the previous version will be marked in red.

Tip:

Do you want to check in the history which employees created and released the transactions and what time this occurred? To do this, load an overview of all messages under one transaction using the “History” button. Select the message by clicking on it and then click on “Information”. The next field shows the relevant log information:

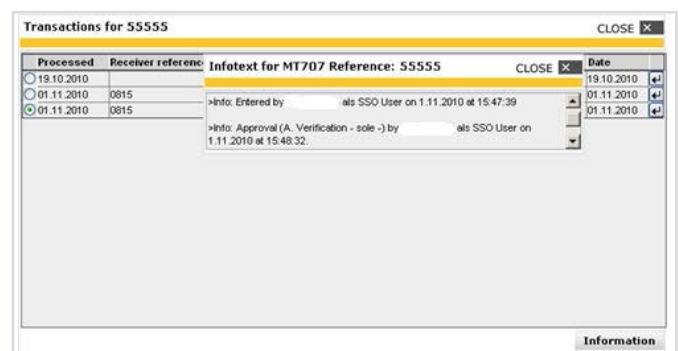


Fig. 07, Import letter of credit history, log information

Take up of documents

You will also be informed about documents presented to your Commerzbank branch regarding import letters of credit in your portfolio online by electronic messages. Discrepancies will be transmitted by the message “Receipt of an advice of discrepancies” (MT771).

Fig. 08, import letter of credit – take-up of documents

After import of the message “Receipt of an advice of discrepancies” (MT771) from the postbox, the creation of “Taking up of documents” can be initiated by clicking on the submenu of the same name.

Monitoring of transactions using the calendar

A comprehensive calendar function is available in the “Overview” category.

New dates can be saved here directly from a transaction. Simply use the calendar symbol in the Web Trade Services header:



Fig. 09, Calendar symbol

The application loads the entered date. After this has been saved, you can continue working on the same transaction without losing any entered data.

Alternatively, you can also use the menu item “Diaries” and click on “Creation” to add new events to the calendar.

Further reminder categories can be added under Administration/Reminder Category.

Fig. 10, Enter dates

Tip:

Monitor recently received messages by registering for the Web Trade Services email notifications. If requested, you will be sent an email as soon as a new message is received!

Import letter of credit amendments

The amendment of an import letter of credit is made via the menu item “Amendment” under the Import Letters of Credit module.

The letter of credit to be amended is accessed via the database field “ ” next to the “Customer reference” field. You can now make the desired amendments in the individual tabs.

The letter of credit amendment represents a “mirror image” of the letter of credit opening. All fields are available to you in structured form and can be changed. For the large text fields (“Description of goods”, “Documents required”, “Additional conditions”, “Special payment conditions for beneficiary”), an amendment is made by using the following codes

- ADD (for the addition of data)
- DELETE (for the deletion of data)
- REPALL (for the complete replacement of data)

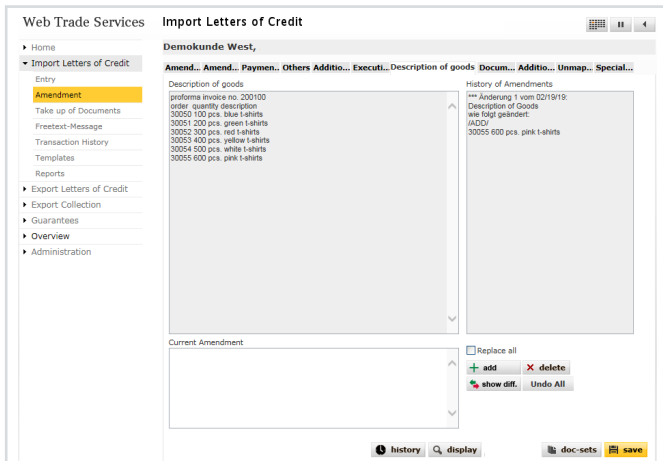


Fig. 11, Import Letter of Credit - Amendment

For instance, if you want to add an item to the Description of goods, please enter this in field “Current amendment” and then click on button **+ add**. If you want to delete something from the Description of goods, enter the text which shall be deleted from the Description of goods in field “Current amendment” and click on button **X delete**. It is important to observe that only full text lines can be deleted. The amendments will be realised in field “Description of goods” directly afterwards.

The button **show diff.** gives an overview of the amendments made.

Added contents are displayed in yellow, deleted contents

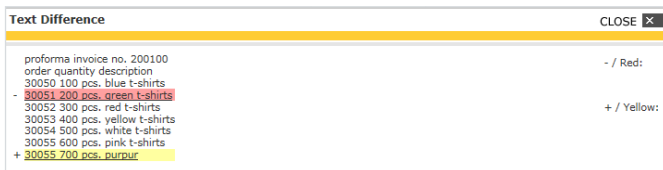


Fig. 12, Import Letter of Credit Amendment - Text diff.

in red.

A full replacement of the contents is also possible.

After clicking on **Replace all**, the entry field opens and the amendments can now be entered in the text directly.

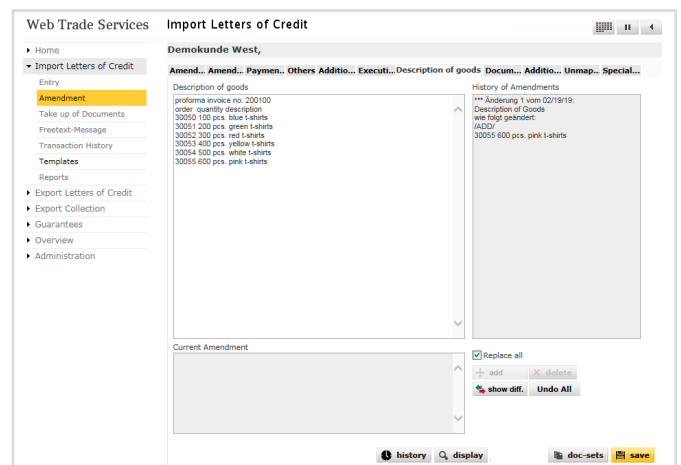


Fig. 13, Import Letter of Credit Amendment - Replace all

If it is necessary to reverse any added or deleted entries, this can be made by clicking on button **Undo All**.

After the transaction has been saved and released, it is transmitted to the conducting branch of Commerzbank.

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